

AG Jennings reaches opioid settlement with McKinsey & Company

Attorney General Kathy Jennings announced Thursday a \$573 million [multistate settlement](#) with one of the world's largest consulting firms, McKinsey & Company, resolving investigations into the company's role in helping opioid companies promote their drugs and profiting from the opioid epidemic.

"These are the first damages Delaware's recovered from the people responsible for the opioid crisis, but they won't be the last," said Attorney General Jennings. "McKinsey helped Big Pharma profit – and profited itself – off of thousands of Delawareans' pain and suffering. We can never bring back the lives that were lost in Big Pharma's pursuit of profit, but settlements like this give us the resources to get help to those who are still grappling with the devastation that this epidemic has caused across our state."

This is the first multistate opioid settlement to result in substantial payment to the states to address the epidemic. The settlement amount exceeds the total revenue that McKinsey collected from its opioid clients. Delaware will receive just over \$2.58 million from the settlement, which will be used to abate the harms caused by the opioid crisis in Delaware.

In addition to providing funds to address the crisis, the agreement calls for McKinsey to prepare tens of thousands of its internal documents detailing its work for Purdue Pharma and other opioid companies for public disclosure online. McKinsey further agreed to stop advising companies on potentially dangerous Schedule II and Schedule III narcotics, continue its investigation into allegations that two of its partners tried to destroy documents in response to

investigations of Purdue Pharma, implement a strict ethics code that all partners must agree to each year, and adopt a strict document retention plan.

Thursday's filings describe how, for more than a decade, McKinsey's work promoting marketing schemes and consulting services to opioid manufacturers—including OxyContin maker Purdue Pharma—contributed to the opioid crisis. [Delaware's complaint](#) details how McKinsey advised Purdue on how to maximize profits from its opioid products, including targeting high-volume opioid prescribers, using specific messaging to get physicians to prescribe more OxyContin to more patients, and circumventing pharmacy restrictions in order to deliver high-dose prescriptions.

When states began to sue Purdue's directors for their implementation of McKinsey's marketing schemes, McKinsey partners began emailing about deleting documents and emails related to their work for Purdue.

The opioid epidemic has devastated Delaware over the last 20 years. During this time, drug overdoses claimed thousands of Delawareans' lives. The crisis has torn families apart, increased crime, and eroded the social fabric of communities. It's also driven mounting costs in health care, child welfare, criminal justice, and other programs needed to combat the epidemic.

Today's filing is the latest action Attorney General Jennings and the Department of Justice have taken to combat the opioid epidemic and to hold accountable those who are responsible for creating and fueling the crisis. The State has also filed complaints against the Sackler family and against opioid manufacturers, distributors, and pharmacies.

In the coming weeks, Attorney General Jennings will work with partners in Dover to recommend legislation establishing a statewide Commission to govern the expenditure of opioid

settlement funds. Once created, the settlement funds will be placed in the care of that Commission to direct spending to address Delaware's opioid crisis.

The Attorney General's opioid enforcement work is a joint effort of the Office of Impact Litigation and the Consumer Protection Unit, both part of DOJ's Fraud and Consumer Protection Division. Today's settlement was handled by Director of Impact Litigation Christian Douglas Wright, Consumer Protection Director Marion Quirk, Paralegal Zuri Ramsey, and Division Director Owen Lefkon.